
HOUSE BILL No. 1212

DIGEST OF INTRODUCED BILL

Citations Affected: IC 27-10-3.

Synopsis: Bail agent and recovery agent licensing. Establishes procedures for the reinstatement of an expired bail agent or recovery agent license. Requires an applicant for a bail agent license to complete certain courses before issuance of a license. Establishes: (1) continuing education requirements for the renewal of a bail agent license; and (2) procedures for bail agent instruction or continuing education. Requires an insurer that terminates the appointment of a surety bail agent to report to the insurance commissioner concerning certain activities of the surety bail agent. Prohibits an insurer from appointing a person as a surety bail agent under certain circumstances.

Effective: July 1, 2002.

Frizzell

January 10, 2002, read first time and referred to Committee on Courts and Criminal Code.

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Introduced

Second Regular Session 112th General Assembly (2002)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2001 General Assembly.

HOUSE BILL No. 1212

A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 27-10-3-2 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 2. (a) All licenses
3 issued expire two (2) years after the end of the month of issue based on
4 the schedule set forth in subsection (b) unless the licensee is on
5 probation or the licensee's license was revoked or suspended before
6 that date by the commissioner or upon notice served upon the
7 commissioner that the insurer or employer of any recovery agent has
8 canceled the licensee's authority to act for the insurer or employer.
9 (b) A license must be renewed under this article according to the
10 following schedule:
11 (1) A licensee whose last name commences with the letters A
12 through H shall renew a license before the last day of August
13 every other calendar year beginning August 1993.
14 (2) A licensee whose last name commences with the letters I
15 through R shall renew a license before the last day of September
16 every other calendar year beginning September 1993.
17 (3) A licensee whose last name commences with the letters S

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through Z shall renew a license before the last day of October every other calendar year beginning October 1993.

(c) A licensee who is issued a new license with not more than one (1) year remaining shall pay fifty percent (50%) of the fee set forth in section 4 of this chapter.

(d) A licensee whose license has expired may have the license reinstated if:

(1) the licensee applies for reinstatement not more than ninety (90) days after the date the license expired;

(2) the licensee:

(A) is not on probation; or

(B) has not previously been denied a license;

(3) the license was not revoked or suspended when the license expired;

(4) the licensee pays:

(A) a pro rata portion of the license fee required under section 7 of this chapter based on the appropriate renewal schedule for the licensee as described in subsection (b); and

(B) a license reinstatement fee of two hundred dollars (\$200) to the commissioner; and

(5) the licensee meets all other appropriate qualifications and criteria.

SECTION 2. IC 27-10-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 3. (a) The application for license, in addition to the matters set out in section 1 of this chapter, to serve as a bail agent must affirmatively show that:

(1) the applicant is at least eighteen (18) years of age and is of good moral character;

(2) the applicant has never been convicted of a disqualifying offense, notwithstanding IC 25-1-1.1, or:

(A) in the case of a felony conviction, at least ten (10) years have passed since the date of the applicant's conviction or release from imprisonment, parole, or probation, whichever is later; or

(B) in the case of a misdemeanor disqualifying offense, at least five (5) years have passed since the date of the applicant's conviction or release from imprisonment, parole, or probation, whichever is later; ~~and~~

(3) the applicant has knowledge ~~or~~ experience ~~or instruction~~ in the bail bond business, or has held a valid all lines fire and casualty agent's license for one (1) year within the last five (5) years, or has been employed by a company engaged in writing

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bail bonds in which field the applicant has actively engaged for at least one (1) year of the last five (5) years; **and**
(4) the applicant has completed at least sixteen (16) hours of instruction in courses approved by the commissioner concerning the duties and responsibilities of a bail agent, including instruction in the laws that relate to the conduct of bail agents.

(b) The application must affirmatively show that the applicant has been a bona fide resident of the state for one (1) year immediately preceding the date of application. However, the commissioner may waive this requirement.

SECTION 3. IC 27-10-3-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: Sec. 7. **(a)** A renewal license shall be issued by the commissioner to a licensee who:

(1) has continuously maintained a license in effect; ~~without further examination; unless deemed necessary by the commissioner; upon the payment of~~

(2) pays a renewal fee of:

(A) six hundred fifty dollars (\$650) for bail agents; and

(B) three hundred dollars (\$300) for recovery agents; ~~if the licensee~~

(3) if the licensee is renewing a bail agent's license, has fulfilled the continuing education requirement described in subsection (b); and

(4) has in all other respects complied with and been subject to this article.

The commissioner may also require a licensee to take an examination before the commissioner issues a renewal license to the licensee.

(b) This subsection does not apply to a licensee who, on the date the licensee applies for renewal of a bail agent's license:

(1) is at least sixty (60) years of age; and

(2) has been a licensed bail agent for at least fifteen (15) years.

A licensee who wishes to renew a bail agent's license must complete at least eight (8) hours of continuing education courses approved by the commissioner concerning the duties and responsibilities of a bail agent, including instruction in the laws that relate to the conduct of bail agents, during each license period. A course used to fulfill continuing education requirements for licensed insurance producers under IC 27-1-15.7 may not be used to satisfy continuing education requirements under this section.

(c) After the receipt of the licensee's application for renewal, the

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current license continues in effect until the renewal license is issued or denied for cause.

SECTION 4. IC 27-10-3-7.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 7.1. (a) A person that wishes to offer courses of instruction that are needed to obtain or renew a bail agent's license as required under sections 3(a)(4) and 7 of this chapter must:**

- (1) be a professional organization that has an interest in the work of bail agents;**
- (2) obtain approval of the courses from the commissioner before conducting the courses;**
- (3) pay an annual fee of five hundred dollars (\$500) to the commissioner; and**
- (4) comply with any other requirements established by the commissioner.**

(b) A professional organization that conducts courses of instruction approved by the commissioner under subsection (a) may charge:

- (1) persons who attend the courses a reasonable fee; and**
- (2) members of the professional organization a lower fee than persons who are not members of the professional organization.**

(c) Fees paid to the commissioner under subsection (a)(3) shall be:

- (1) deposited in the bail bond enforcement and administration fund established by IC 27-10-5-1; and**
- (2) used to implement this section.**

SECTION 5. IC 27-10-3-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2002]: **Sec. 11. (a)** An insurer who appoints a surety bail agent in Indiana shall give notice of the appointment to the commissioner along with a written application for license for the bail agent. All appointments are subject to the issuance of a license to the surety bail agent.

(b) An insurer that terminates the appointment of a surety bail agent shall:

- (1) file written notice of the termination with the commissioner together with a statement that the insurer has given or mailed notice to the surety bail agent; and**
- (2) not more than thirty (30) days after the date the insurer terminates the appointment, submit a written report to the commissioner concerning the surety bail agent's:**
 - (A) unpaid premiums;**



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1 **(B) unsatisfied judgments; and**

2 **(C) willful failure and refusal to fulfill other contractual**
3 **obligations.**

4 The notice filed with the commissioner must state the reasons, if any,
5 for the termination. Information furnished to the commissioner is
6 confidential and may not be used as evidence in or a basis for any
7 action against the insurer or any of the insurer's representatives.

8 **(c) An insurer may not appoint a person as a surety bail agent**
9 **if the person has:**

10 **(1) unpaid premiums;**

11 **(2) unsatisfied judgments; or**

12 **(3) willfully failed and refused to fulfill other contractual**
13 **obligations;**

14 **to another insurer or bail agent.**

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